

11/29/10  
(Special Meeting)

L-302-10 vaz

ORDINANCE NO. 302-10

BY: **MARY GALINAS**

(By Request – Community Services & Economic Development Director)

AN ORDINANCE TO TERMINATE THE COMMUNITY  
REINVESTMENT AREA AGREEMENT BY AND BETWEEN  
OHIO SOAP PRODUCTS AND THE CITY OF PARMA, AND  
DECLARING AN EMERGENCY

WHEREAS, the City of Parma and Ohio Soap Products entered into a Community Reinvestment Area (CRA) Agreement on June 6, 2005, through the adoption of Ordinance No. 158-05, becoming effective in tax year 2006 for real property tax abatement on the building for fifty percent (50%) over fifteen (15) years; and,

WHEREA, in exchange for real property tax benefits, Ohio Soap Products agreed to retain eighteen (18) and create fifteen (15) jobs within thirty-six (36) months of operation in Parma; and,

WHEREAS, as part of the CRA Agreement, Ohio Soap was to pay all real property taxes in full for each calendar year; and,

WHEREAS, upon review of the operations of Ohio Soap by the Tax Incentive Review Committee, Ohio Soap has failed to fulfill its job retention and creation promises and has not maintained current payments on their real property taxes; and,

WHEREAS, the City of Parma has the right to terminate its Agreement with Ohio Soap Products based on the performance review. If terminated, the State of Ohio and Cuyahoga County will be notified and property taxes adjusted to “clawback” forgiven property taxes beginning with FY 2009;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PARMA, STATE OF OHIO:

Section 1. That the Community Reinvestment Area Agreement by and between Ohio Soap Products and the City of Parma, as authorized by Ordinance No. 158-05, is hereby terminated.

Section 2. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of the Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 3. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare of the City of Parma, and for the further reason that the termination of the Agreement will require immediate alteration of subject property’s taxable value and clawback of property taxes starting with FY 2009, and this Ordinance shall become immediately effective upon receiving the affirmative vote of two-thirds of all members elected to Council and approval of the Mayor, otherwise from and after the earliest period allowed by law.

PASSED: \_\_\_\_\_  
PRESIDENT OF COUNCIL

ATTEST: \_\_\_\_\_ APPROVED: \_\_\_\_\_  
CLERK OF COUNCIL

FILED WITH  
THE MAYOR: \_\_\_\_\_  
MAYOR, CITY OF PARMA, OHIO